Stakeholder Inventory & Analysis Computer-based Training

Welcome to the Organizational Change Management: Stakeholder Inventory & Analysis CBT, provided by the Transportation Technology's Organizational Change Management Office.

Introduction

One of the Organizational Change Management Team's goals is to introduce or enhance more formal Organizational Change Management, or OCM, planning for Transportation Technology projects or initiatives within the Department. As part of this effort, we would like to continue to build awareness of OCM fundamentals. The OCM Office has determined ten key OCM work products that should be considered for each Transportation Technology project or initiative. They are: Stakeholder Inventory & Analysis, Business Readiness Assessment, Leadership Alignment Strategy, Case for Change, Job/Role Assessment, Communications Plan, Change Impact Assessment, Training Strategy and Plan, Change Champion Network, and Change Metric Scorecard.

Each OCM element feeds into other key elements to facilitate successful transformation throughout the change journey. This resource aims to provide greater insights and understanding around Stakeholder Inventory and Analysis, which is typically completed during the Planning/Procurement Phase of a project.

Stakeholder Analysis Overview

A Stakeholder Analysis is a holistic approach that is used to identify those who are affected by change or can affect change and to understand how various stakeholders can inform and influence the achievement of a Project's goals and objectives. More simply put – a Stakeholder Analysis begins by looking at an entire population first to inform how different groups can be created for more customized interactions. The results of the analysis tell us who will be impacted or involved and help us understand various attributes to ultimately help contribute to a successful project.

It is important to consider beginning a Stakeholder Analysis prior to the start of, or early on in a project's lifecycle, because it provides the business insights regarding the impacted groups and individuals: such as their behaviors, needs, attitudes, concerns, and expectations towards the change. All insights which will help build a more effective project plan.

The results of the analysis also help OCM create a plan to assist with targeted support for stakeholders during the transition and encourages adoption of the change. A big benefit of a Stakeholder Analysis is that it forces us to be thoughtful and mindful of all the people who are impacted by a new process, a new application, or a change to an existing process that affects the Department. The analysis helps us make sure we're thinking of the "big picture" and that all people affected are ready for go-live.

Stakeholder Analysis Benefits

The results of a well performed analysis can help a project early on to identify:

- Interests of all stakeholders who may affect or be affected by the project;

- Where the project/initiative fits within the greater organization;

- Key resources to leverage as supportive communication channels;

- Groups or experts that should be encouraged to participate in different stages of the project;

- Communication planning & stakeholder engagement strategy; and

- Ways to proactively manage obstacles and red tape.

These benefits help a project to craft a more specific strategy and plan for how the project will be implemented.

Stakeholder Analysis Process

A Stakeholder Analysis is started either prior to the kickoff of a project, or early in the project's lifecycle. The results of the analysis help both the project team and the OCM team customize and create more effective plans to address specific needs, so the earlier they are performed, the more benefits they provide. Also, consider revisiting the analysis throughout the project lifecycle. The reason for this is that the project scope may have changed, and those changes could affect others in the Department.

A typical analysis adheres to the following process:

1. Identify the Stakeholders;

2. Perform a Stakeholder analysis;

3. Map the stakeholders;

4. Develop an action plan; and

5. Engage and encourage the stakeholders.

Who Are Stakeholders?

Before we identify our stakeholders, let's talk about "who is a stakeholder". A stakeholder can either be an individual or a group of individuals who have an interest in a certain project, objective, or outcome. They will have different reactions and perspectives as they move through a transition. It's important to know your stakeholders to not only understand the business needs, but the people

needs also. The Stakeholder Analysis is a tool to help us collect and understand these perspectives and engage with them effectively so that we can meet project goals, objectives, and drive adoption.

How to Identify Stakeholders

To ensure you have considered all stakeholder groups, ask the following questions:

- Who is affected by the project?
  This could be anyone from Executive Leadership to Project Staff.

- Who are the end users?
  These are the people who will use the new process or feel the effects of the change.

- Are there external stakeholders to consider?
  Make sure that FDOT customers, vendors or consultants are included.

Unfortunately, there is not one system to identify stakeholders. That's why it's important to talk with the project team to make sure all stakeholders have been considered.

Stakeholder Groups

Stakeholders can be anyone impacted by a change and those who can influence the outcome of the transition. It includes a review in two directions including who is upstream, such as leadership and oversight, and who is downstream, including the project team and end users. These are a few examples of groups that the WPII OCM team considered when identifying their stakeholders: internal project operations, project governance, and external oversight.

The internal project operations are those helping to drive the transition. This group includes those at the top, but also the "boots on the ground." This is the larger network of people who are impacted by the change. The project governance team includes members who have influence over the project and are concerned with the transition's success. The external oversight team helps to ensure compliance with best practices and governance standards. Most of our projects require some level of oversight, so likely their perspectives have been accounted for in your projects.

Stakeholder Analysis: Steps & Outputs

Once you've identified the people, the objective of a Stakeholder Analysis is to identify stakeholders based on their perspective, motivation, role, and work group. This is a key role for the business side to understand and maintain at a detailed level once the project is being executed. The steps to gather data for the analysis include conducting workshops, interviews, and focus groups to better understand impact and to identify concerns that might hinder the success of the transition.

The outputs of the analysis build an enhanced understanding of the stakeholders to enrich communication and engagement activities, such as a training plan, and to build an action plan to address stakeholder concerns.

Trans Tech Requirements

Transportation Technology requires a Stakeholder Assessment to be performed during a project's planning phase to gain an understanding of who the project's stakeholders are and how they should be engaged throughout the project. If you have a project that is subject to statutory project oversight requirements, the Stakeholder Analysis not only ensures that you are checking the box and identifying stakeholders as required, but it also builds upon that to give us additional insights for our projects and ensures that we're addressing the people side of each transformation.

Output Example

Building on the statutory requirements, this is the standard map used to plot stakeholders once you have determined who your stakeholders are and have thought about how you want to group them preliminarily. Across the bottom axis is the level of interest; and on the vertical axis is the level of influence. Based on how each stakeholder or stakeholder group is assessed (e.g. low to high, numerical values, 1-5, etc.) they would be plotted on this map, and depending on where they fall, an action plan would be created for them. Again, this is the basic map included in statutory requirements. Coming up we will discuss some ways that we can build upon this approach and add additional dimensions to get the most out of the analysis.

Determine Data for Mapping

So how do you get started? In this example related to the Department's Ring-Fencing initiative, 221 individual stakeholders were identified who sit within 13 different work groups. The first step to start mapping these stakeholders and creating an action plan, is to determine what level of detail is most appropriate or insightful – in some cases, looking at stakeholders at an individual level may be best.

In others, there may be other similarities amongst them, based on the project or objective, that make sense to look at them at a bit more of a macro level, such as by rank or by work group. Once the level of detail is determined, we move on to defining the variables to be mapped. Influence and interest were mentioned previously, but another variable that is helpful to consider is impact – which considers how various stakeholders will be impacted by a certain project or change.

Let's talk about each of these variables in a bit more detail.

Impact Variable - Approach

When we think about impact, referring to the impact of a project or change on a certain stakeholder or group, there are a few factors we can consider when assigning a value of low/medium/high or a

numerical value to a stakeholder group to plot them on the four-square map. Rank is the first one of three factors. This factor is fairly objective. It helps build an understanding of where within FDOT's hierarchy a certain stakeholder sits – to help you understand what they might experience due to a given project or change being undertaken.

The next two factors are a bit more subjective based on the specific needs or the objective of your project. Dependency on data or on a process describes how reliant your stakeholders are on the data or process at hand. What do they rely on in order to do their jobs? This helps us further understand what potential changes the stakeholder might expect to face in their day to day work.

Another layer of that is their relationship to the data/process. This factor considers how stakeholders will use the data or a process. For example, what decisions do they need to make based on the data?

As you consider each of these factors you will want to assign a value to each stakeholder group. Let's say a certain stakeholder group has a large dependency on a particular process and needs to make impactful decisions based on it, then it would be assigned a 'high' value. Keep this in mind, we'll tie this back to the Ring-Fencing Initiative example.

Influence Variable - Approach

There are 3 factors to consider when determining the level of influence:

Tenure is objective. It gives a good understanding of a stakeholder's history with FDOT and helps you understand how long they have been building relationships within the Department. Generally, the longer someone has been with an organization, the more institutional knowledge they have, and the deeper relationships they are able to build, and therefore the higher their influence may be within the organization.

Data/process ownership describes the level of involvement a stakeholder has within a process. Generally, the higher the level of involvement within the given process the higher their influence might be in shaping the future state of a process. Potential Benefit Realization refers to the stakeholder's ability to generate results or potential savings based on the outcome of the project or change. The higher the potential for this means that typically the more influence they would have on a process.

Interest Variable - Approach

In terms of the Interest variable, the main thing to consider is the stakeholder's degree of support, meaning their level of buy-in toward the project's goals or objectives. Depending on where they fall in terms of level of support, you may want to take a different approach or create a specific action plan for them. Typically, this factor is gathered through conversations, interviews, or interactions with the stakeholder group. While most of the other factors we discussed are likely to remain constant over the life of a project, the degree of support can change based on action plans and OCM support.

Plot Stakeholders Based on Data

Once all of the various factors for each of our defined stakeholder groups have been assessed, you will then plot them on a map similar to the one shown at the beginning of this section. This is an example using data from the Department's Ring-Fencing Initiative. For this initiative we decided to look at stakeholders based on their work groups or roles as they related to the initiative.

There are 13 groups here, including statutory oversight, the Executive Project Sponsor, Project Manager, Functional Coordinators (FCs), and Application Owners, all the way down to the indirectly impacted stakeholders. For each of these groups, we determined their level of influence and impact based on the factors we just discussed, but you'll also notice the color legend for the degree of interest. This is something we've added to give us a little more insight and help us craft our OCM plan.

Green is high, yellow is medium, and orange is low level of interest. You'll notice that those who were involved in determining the Ring-Fencing Initiative were necessary. The parameters of the ring fence are green indicating a high degree of interest, whereas some of the stakeholder groups who were less involved in designing the new processes, like FCs, Application Owners, and indirectly impacted stakeholders, needed a little support to increase their level of interest. You'll also notice that the bubbles are different sizes, this helps provide an idea of the number of individual stakeholders within a particular group.

How Data Points Inform Action Items

Here, all our stakeholders in this example have been identified, grouped, and mapped. So now what does that mean for the project or OCM team and what needs to be done about it? This is a general guideline to inform your action plan for each of the stakeholder groups. In the top left, for those who have a high level of influence but low impact – we have an action plan focused on engaging those stakeholders and making sure we keep their level of interest up so they become key players in meeting objectives is recommended.

Moving clockwise – for those who are in the top right box, having a high degree of both impact and influence – it is recommended that you create an action plan focused on making sure their level of interest stays positive and keeping them involved regularly in decision making.

The Bottom right box is for the stakeholders who have a high degree of impact but low level of influence – you will need an action plan to keep them informed. These are generally the people who will be some of the most impacted by the change, but who won't be involved in driving the initiative.

While they won't necessarily need to be included in regular decision making, you'll want to make sure that they are being as informed as possible of what's to come.

And finally, on the bottom left – the stakeholders who have a low level of impact and influence – will need an action plan to keep them informed, but at a lower level than those who are more highly impacted. They are usually communicated to through general communication vehicles like newsletters or general email blasts.

Plot Stakeholders Based on Data

Tying it back to the Ring Fencing Initiative example - the Executive Project Sponsor and Product Managers, who are mapped in the top right-hand quadrant in the involve group, were very involved in the governance and decision-making meetings along the way to make decisions and set the path. The various Application Owners, in the inform quadrant, were kept informed through a series of workshops and informative sessions that were held to keep them in the loop. This was to make sure they knew what was going on and felt comfortable about the change that was coming.

In the build awareness bucket, the indirectly impacted stakeholders, or basically the greater FDOT population, were informed of the changes through a more general communication leveraging our newsletter and a series of email blasts. This is general guidance on how to think about your stakeholders holistically and create thoughtful action plans for each, based on their level of influence, level of impact, and degree of interest.

Customization

One of the reasons why a stakeholder map is created is to generate an action plan. Once you have the data by role and rank, you will further categorize who's within those circles based on their individual needs and concerns. Let's talk about a few of these categories and their descriptions:

Location - Where is the stakeholder located (e.g. District, Central Office, Turnpike)? What is unique about their location?

Function - Is that individual or group a part of the business side? Or are they on the technical side? Where do they fit within the Department?

Personality - There's a multitude of facets to consider, but perhaps most influential on behavior is openness and willingness to change.

Recent and Current Projects - What are some of the recent projects this individual or group has worked on? What other projects are they currently working on?

Communication Style - How do they communicate best? What's their preferred channel and cadence?

Responsibilities - Are their responsibilities primarily contained within FDOT or do they exist externally, for example with vendors or consultants?

Stakeholder Action Plan

In the previous steps, we saw how to identify stakeholders, perform a stakeholder analysis, and how to map stakeholders. Now let's move into how you take action and determine how you will continuously engage with your stakeholders over the duration of your project. The first question to answer is who will be seen as representatives to members external from the project team? Once those individuals have been identified, it will be important to clarify their role and responsibilities. For example, this could include the number of hours per week expected from them to engage the project's stakeholders, the amount of times and the frequency with which they are expected to communicate, and what resources may be available to help them along the journey.

The next step, if it's deemed appropriate based on the amount of impact identified, is to create a Communications Plan. It is important during any project to maintain momentum, and, depending on when momentum needs to be built for adoption, a Communication Plan may be helpful to ensure action is taken at the appropriate steps. If you are unfamiliar with how to create a communications plan, please view the "Building a Communications Plan CBT", the link is located on the resources page.

While up to this point, we've discussed that it is important for the project to be communicated externally by maintaining a two-way, open dialogue; Stakeholders will likely have important information that should be considered to maintain a successful journey towards adoption. They may have insight being closer to the day to day work that a project may not be aware of, and thus should be involved in the project as appropriate.

The stakeholders within the organization may change, or as additional information is uncovered it may change the impact previously identified for a stakeholder. Thus, it's important to review your stakeholder map at regular intervals (e.g. quarterly, every 6 months) to ensure it reflects the latest information. Lastly, the project should continuously monitor adoption of the changes from stakeholders over time to adjust communications as needed for increased acceptance.

Contributing to Project Success

Ensuring that stakeholders are actively engaged in a project and understanding their expectations is a key factor towards any project success. Seventy-five percent of undertaken projects don't meet their planned objectives, part in which is attributed to lack of engagement and alignment from end users, minimal buy-in for project business case and activities, lack of execution discipline, and poor adoption from impacted employees. By considering the unique needs and concerns of stakeholders through customization, and a well-defined action plan, stakeholders can help contribute to project success because they will be clear on their accountability and enhanced responsibility to meet desired project outcomes.

For the project, this exercise can also enable effective risk identification and response planning to mitigate any potential issues that prevent adoption. By including stakeholders as a part of the project, as previously mentioned, the two-way dialogue gives individuals an opportunity to express concerns

and ideas about the project, as well as opening excellent learning opportunities for both the project team and the stakeholders.

Different Engagement Methods

What are some different ways that you can engage stakeholders? In today's modern world, there are several methods to consider when engaging stakeholders. These methods are along a range to consider in terms of how rich of an insight you need from the individual or group.

For example, a survey is helpful to gather data from questions that you've strategically asked participants that will inform project acceptance, while an interview allows for flexibility to explore new opportunities to collect detail and a day in the life, which simulates what the future may look like to understand adjustments and confirm where the project is on target. While not all these methods necessarily need to be used, the takeaway is meant to encourage usage of different methods to collect insights on data points that will be helpful to achieve the project's desired outcomes.

Conclusion

Looking back at what we covered a stakeholder analysis is started either prior to the kickoff of a project, or early on during the project's lifecycle.

A typical analysis adheres to the following process:

- Identify the Stakeholders;

- Perform a Stakeholder analysis;

- Map the stakeholders;

- Develop an action plan; and

- Engage and encourage the stakeholders.

The results of the analysis will help both the project team and the OCM team customize and create more effective plans to address specific needs. Don't forget to revisit the analysis throughout the project lifecycle because the project scope may change, and those changes could affect others in the Department who are impacted by the project.

This concludes the Organizational Change Management: Stakeholder Inventory & Analysis CBT provided by the Transportation Technology's Organizational Change Management Office. Thank you for your time and attention, and we look forward to working with you on your next project.